CLERK: LB 528, Mr. President, introduced by the Banking Commerce and Insurance Committee. Bill read. The bill was first considered on April 3, 1975. The bill had previously be indefinitely postponed. There are a series of amendments. The first one is offered by Senator Burrows who is not present. The second one is offered by Senator Stoney and unanimous consent to add his name.

PRESIDENT: There is a request to add Senator Stoney's name. Seeing no objection, it is so ordered.

CLERK: There is an amendment offered by Senator Burrows on page 5,line 24, strike 8 and insert 5 percent. Signed Senator Burrows.

PRESIDENT: Senator Burrows, do you wish to be heard on your amendment?

SENATOR BURROWS: I'm not prepared. I don't have the bill open. If I could look up the bill.

CLERK: An amendment is offered by Senator Cavanaugh and is found on page 1264 of the Legislative Journal.

PRESIDENT: Are you prepared, Senator Cavanaugh?

SENATOR CAVANAUGH: Which one is this?

PRESIDENT: 528.

SENATOR CAVANAUGH: Which amendment?

PRESIDENT: The Cavanaugh amendment.

CLERK: Found on page 1264.

SENATOR CAVANAUGH: Okay. Mr. President, members of the Legislature, the amendment found on 1264 would do as the proponents of this bill had advertised. In the several discussions that we've had on this bill, the kill motion and the motion to reconsider, if the true intent is to protect the little policyholder, this amendment would probably go as near to doing that and still achieving what the proponents have aledged they wished to achieve which is to increase the rate of interest on large policy loans and they have professed not to have any desire to increase the interest rate charged to small policy holders and small policy loans. This amendment would require that not more then six percent be charged for policy holders on an amount loan not exceeding $50,000 and eight percent on any amount in excess of $50,000. I think that if we're going to discuss this bill in the same manner that we previously discussed it, the competition here is between large policy holders making large policy loans and depleting the resources of the company to the detriment of the dividends or earnings that would be paid to small policyholders. I think an amendment such as